

EXHIBIT I



Steven B. Abramson, MD
Chairman, Department of Medicine
Senior Vice President & Vice Dean for
Education, Faculty & Academic Affairs

September 5, 2014

Sari Edelman, DO
1991 Marcus Avenue, Suite 104
Lake Success, NY 11042

Dear Dr. Edelman:

On behalf of our colleagues at NYU School of Medicine and NYU Hospitals Center (collectively, “NYU Langone Medical Center”), it gives us great pleasure to make this offer for you to become an employed member of our faculty. We are certain that you will find the environment for research, education and health care at NYU Langone Medical Center uniquely stimulating, interactive and highly beneficial.

Set forth below are general guidelines pertaining to your employment with NYU Langone Medical Center. The specific terms of your employment, including the compensation associated with your clinical, research, and/or administrative responsibilities, are set forth in **Schedule A**.

Section I – General Terms Governing Employment

A. Policy and Procedures

1. **Policies/Practices/Faculty Handbook:** Your employment is subject to all policies and practices of the NYU Langone Medical Center and New York University, including, but not limited to the New York University Faculty Handbook and other policy documents.
2. **Pre-Employment Process:** This offer and your employment is contingent upon your successfully completing NYU Langone Medical Center’s pre-employment process which includes, but is not limited to, reference checking, a pre-employment physical examination, a background investigation and receipt of all documentation required in accordance with Federal, State and local rules, as well as NYU Langone Medical Center human resources and New York University policies and procedures. If you have clinical responsibilities, this offer and your employment are contingent upon your obtaining, prior to the Commencement Date, medical staff privileges, and qualifying for professional liability insurance under NYU Langone Medical Center’s insurance program. In addition, if you

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have clinical responsibilities, your continued employment is contingent upon your maintaining medical staff privileges and qualifying for professional liability insurance under NYU Langone Medical Center's insurance program throughout your employment.

3. **Benefits:** Eligibility for benefits is based on the provisions of the plans which are outlined in the Faculty Benefits Brochure. Please be aware that you must apply for available benefits and that you are required to participate in a NYU Langone Medical Center benefit orientation as soon as possible.
4. **Space:** Space provided to you for your NYU Langone Medical Center responsibilities is for performing services for the NYU Langone Medical Center only. You may not use such space for purposes of any other organization, unless approved in writing by the Dean of the School of Medicine.
5. **Time and Effort Allocation:** You will be required and agree to complete time and effort allocation forms on a monthly and/or quarterly basis as requested by your Department Chair and NYU Langone Medical Center Administration and you agree to complete and submit such reports accurately and on a timely basis, as well as maintain appropriate documentation to support such allocations and to make such documentation available upon request for audit purposes.

- B. **Compensation:** Your compensation is set forth in **Schedule A**. In the event you cease to provide any services set forth in **Schedule A**, your compensation will be adjusted commensurately. Additionally, your compensation package is subject to approval by the NYU Board of Trustees Compensation Committee in accordance with prevailing NYU Langone Medical Center guidelines.

Section II – Academic Appointment

1. **School of Medicine:** Your employment includes appointment as a faculty member of the NYU School of Medicine, which is described in greater detail in **Schedule A**.
2. **Co-terminus Appointment:** As a clinical faculty member, unless you are on the tenure track, your faculty appointment is co-terminus with your employment and shall automatically terminate when your employment ends.
3. **Termination/Faculty Appointment:** Your faculty appointment shall terminate automatically and simultaneously if you accept an unauthorized position with any other academically affiliated organization or any health care entity which competes with NYU Langone Medical Center.

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Section III - Representations/Warranties

1. **No Employment Limitation:** You represent and warrant to NYU Langone Medical Center that you are not party to any contract or conditions of current employment, such as but not limited to a covenant not to compete with your current employer, which would preclude your accepting employment with NYU Langone Medical Center and performing services described herein as of the Commencement Date referenced in this offer letter.
2. **Non-Solicitation:** You agree that you shall not, directly or indirectly, recruit any employee nor solicit business which knowingly disturbs, or could be expected to disturb, the existing professional or business relationships of NYU Langone Medical Center with any employee, patient, health care provider or referral source while you are in our employ and for two (2) years after leaving our employ. The parties agree that, following the expiration or termination of your employment, the foregoing provision shall **not** prohibit you from obtaining employment or providing services to any hospital, health care entity or medical practice, provided that any such engagement does not require you to violate this provision.
3. **Consulting:** You represent and warrant that prior to the Commencement Date you shall disclose to NYU Langone Medical Center any outside activities that you intend to engage in after the Commencement Date, including consulting and research activities in which you are currently engaged. You may engage in such consulting activities as may from time to time be permitted by the rules and regulations of NYU Langone Medical Center and New York University in effect at the time of signing and modified from time to time. NYU Langone Medical Center's policies concerning conflicts of interest, conflicts of commitment and consulting activities are located on the conflicts management website, which is <http://cimu.med.nyu.edu>.

Section IV - Additional Documents: At any time and from time to time, it is agreed that each party shall, without further consideration and at its own expense, take such further actions and execute and deliver such further instruments as may be reasonably necessary to effectuate the purpose of this agreement.

You agree that this Agreement together with **Schedule A**, which is incorporated herein, (a) is the complete and exclusive statement of the agreement among you and NYU Langone Medical Center, and shall supersede and merge all prior proposals, understandings and other agreements, oral and written, relating to your employment by NYU Langone Medical Center; (b) may not be modified except by a written instrument duly executed by you and NYU Langone Medical Center; and (c) shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to conflict of law provisions.


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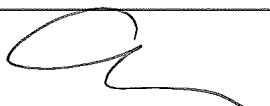
We are very pleased that you may become a member of the Faculty of NYU Langone Medical Center in the Department of Medicine. We join our many colleagues in extending an invitation to you to participate in the next chapter in the history of the NYU Langone Medical Center.

Sincerely yours,




Jill F. Buyon, MD
Director, Division of Rheumatology

Sept. 10' 2014
Date



Steven B. Abramson, MD
Chair, Department of Medicine


9/11/14
Date



Robert I. Grossman, MD
Dean, NYU School of Medicine and
CEO, NYU Hospitals Center
NYU Langone Medical Center

9/15/14
Date

If you agree to the terms of this letter, please sign and date below and return it within two (2) weeks of the date set forth on the first page of this letter. If an executed agreement is not received by us within two (2) weeks of the date of the letter, this offer is withdrawn unless specifically extended in writing by NYU Langone Medical Center.



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9/22/14
Date

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SCHEDULE A **Terms of Employment**

I. Commencement Date

Your employment under this Agreement will begin on or about **December 1, 2014** (“Commencement Date”).

II. Effort and Compensation

Percent of Effort Summary

<u>MISSION</u>	<u>% EFFORT</u>	<u>COMPENSATION^{1, 2}</u>
Clinical	100%	\$207,000
Education Leadership	0%	\$
Research	0%	\$
Administration/Leadership	0%	\$
TOTAL EFFORT:	100%	\$207,000 ³

III. Other Compensation, based on established institutional policies

- a) **Reimbursement of Business Expenses:** Legitimate and reasonably appropriate business expenses, including, without limitation, subscriptions, society memberships and dues, journals, continuing medical education, travel expenses, license fees and other similar items, will be covered by NYU Langone Medical Center, and reimbursed or paid by NYU Langone Medical Center in accordance with Internal Revenue Service guidelines and NYU Langone Medical Center policies, unless prohibited by applicable laws or regulations (including, without limitation, the regulations of the Internal Revenue Service). The foregoing shall not exceed **Three Thousand Dollars (\$3,000)** annually.

IV. Academic Appointment and Title(s)⁴

¹ The maximum salary (excluding any incentive compensation) on which benefits are based for eligible clinical faculty shall not exceed \$230,000 annually.

² Salaries may be adjusted each year, based on merit unless otherwise outlined in this letter, which includes relative productivity and contributions to the Medical Center as reflected in your accomplishments related to research, teaching, and/or clinical activities. Any portion of a salary funded by a Faculty Group Practice are not eligible for annual Medical School increases as these salaries are reviewed separately based on productivity and other measures.

³ Compensation will be paid to you on the basis of activities which you perform as set forth herein. With respect to each activity, compensation shall be paid provided that you perform your obligations. In the event you do not perform, or are relieved from performance, of any obligation set forth herein, at NYU's discretion, your compensation may be reduced proportionately.

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Faculty Appointment: Clinical Assistant Professor in the Department of Medicine

Academic Track: Clinical

Tenure Status: Non – tenure eligible

- a) **General Responsibilities:** The general responsibilities associated with your academic appointment include but are not limited to:
- i. Become familiar with and understand the requirements applicable to your faculty appointment and advancement, including the New York University Faculty Handbook and NYU School of Medicine policies (<http://webdoc.nyumc.org/nyumc/files/efaa/attachments/FacHbk2008.pdf>) and *Revision to the Policies and Procedures for Appointment, Promotion and Tenure at the School of Medicine*, (http://webdoc.nyumc.org/nyumc_d6/files/faculty/Policies_and_Procedures_for_Appt_Promotion_and_Tenure_Feb-1-2013-FINAL.pdf);
 - ii. Serve on committees of the NYU School of Medicine as requested by the Chair of the Department in which you have your primary appointment or the Dean of the NYU School of Medicine;
 - iii. Participate in the teaching program for medical and/or graduate students, residents and fellows in accordance with teaching expectations set forth in the policies of the NYU School of Medicine as modified from time to time (see *Report of Committee on Expectations regarding Teaching a/k/a "Artman II"* http://webdoc.nyumc.org/nyumc_d6/files/faculty/Policy_on_Expectations_Regarding_Teaching_revised_6.13.pdf);
 - iv. Participate in academic activities that define membership in this community of scholars including mentoring, supervision, recruitment, advisement and governance.

V. Employment Status

Employment Title: Staff Physician

Employment Status⁵: Full Time

⁴ Your academic appointment, salary, tenure status, promotion, assignments to duties, space allocations, research objectives, other technical and secretarial support, etc. will be the responsibility of your Department Chair in which you have your primary appointment in collaboration with the Dean of the School.

⁵ Please note that any additional employment you engage in with one of our affiliates in which you receive payment directly from that organization (such as Nathan Kline Institute, the

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VI. Term/Termination

- a. **Term**: Your employment shall be for an initial **three (3)** year period provided that your performance continues to meet the applicable standard of care as defined by the medical community, and you meet the productivity standards set forth herein.
- b. **Renewal**: Unless this Agreement is explicitly renewed in writing, if you continue to provide services following the expiration of this Agreement, you will become an employee at-will.
- c. **Termination for Cause**: Your employment, faculty appointment, and this Agreement may be terminated by NYU Langone Medical Center for Cause. "Cause" in this Agreement means:

- an intentional act of fraud, embezzlement, theft or any other material violation of law that occurs during or in the course of your employment with NYU Langone Medical;
- intentional breach of NYU Langone Medical Center's Code of Conduct;
- intentional disclosure of NYU Langone Medical's or its patient's confidential information contrary to NYU Langone Medical policies;
- breach of your obligations under this agreement; including but not limited to the loss or suspension of your license to practice medicine in the State of New York, your exclusion from Medicare, Medicaid or any successor program, loss or resignation of your faculty appointment, loss or resignation of your NYU Langone Medical Center medical staff privileges, or your failure to qualify for malpractice insurance;
- intentional violation of NYU Langone Medical Center's conflict of interest policies, which includes intentional engagement in any competitive activity without prior review and approval; or
- the willful and continued failure to substantially perform your duties for NYU Langone Medical Center (other than as a result of incapacity due to physical or mental illness).

For purposes of this paragraph, an act, or a failure to act, shall not be deemed willful or intentional, as those terms are defined herein, unless it is done, or omitted to be done, by you in bad faith or without a reasonable belief that your action or omission was in the best interest of NYU Langone Medical. Failure to meet performance standards or objectives, by itself, does not constitute "Cause."

Veteran's Administration, Health and Hospital Corporation Hospitals, or Jamaica Hospital Medical Center) is separate from your employment by NYU Langone Medical Center. The terms of that separate employment, including compensation and space, are governed by separate agreement and its applicable policies between you and that organization.

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“Cause” also includes any of the above grounds for dismissal regardless of whether NYU Langone Medical learns of it before or after terminating your employment.

In addition to the foregoing, your employment, faculty appointment, and this Agreement may be terminated as a result of your retirement, disability or death. Disability shall be defined to mean that as a result of a physical or mental impairment, you are unable to perform the duties set forth in this Agreement for a period of 180 calendar days in any 12 month period⁶.

VII. Clinical Responsibilities

- a) **Group:** You will be employed as a member of NYU Langone Nassau Rheumatology, our Faculty Group Practice (“FGP”) in the Department of Medicine under the terms stated herein and in the Faculty Practice Plan, available on the FGP website at http://webdoc.nyumc.org/nyumc_d6/files/fgp/fgpfiles/hr.htm. Your Compensation is predicated on maintaining continued performance in accordance with this Agreement. Compensation will be reviewed annually, unless specified otherwise in this letter. If you cease to participate as a member of the FGP, the portion of your compensation associated with the FGP will cease.
- b) **Policies:** You shall be bound by the Bylaws, rules and regulations of the NYU Hospitals Center and applicable affiliated hospitals, if you have clinical responsibilities, as well as all applicable laws, rules and regulations. You will need to complete the credentialing applications for each hospital where patient care is expected and to provide supporting documentation upon approval of this letter of offer.
- c) **FGP Expectations:**
 - You will provide clinical patient care in the specialty of rheumatology on a full time basis.
 - Your Clinical Compensation of **Two Hundred Seven Thousand Dollars (\$207,000)** is based on your maintaining a level of productivity as measured by work RVUs (“wRVUs”) which is 4,966 wRVUs annually (“wRVU Target”).
 - If your actual annual productivity is greater than the wRVU Target of 4,966, you will receive, as incentive compensation, 1% of your Clinical Compensation for every 1% your actual productivity exceeds the wRVU

⁶ Application of the termination provision related to disability shall occur only after engagement in the interactive process and consideration of reasonable accommodation requests in accordance with federal, local and state regulations.

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Target ("Incentive Compensation"). For example, if your actual productivity is 5,463 or 10% greater than the wRVU Target, you will receive **Twenty Thousand Seven Hundred Dollars (\$20,700)** as incentive compensation.

- If your actual annual productivity is at least 95% of the wRVU Target or 4,718 wRVUs, there will be no change to your Clinical Compensation.
- If your actual annual productivity is less than 95% of the wRVU Target, your Clinical Compensation will be reduced by 1% for every 1% your actual productivity is less than 95% of the wRVU Target. For example, if your actual productivity is 4,469 wRVUs or 90% of the target, your Clinical Compensation will be reduced by 5% or **Ten Thousand Three Hundred and Fifty Dollars (\$10,350)**.

- Compensation Guarantee:

Notwithstanding anything to the contrary contained herein, it is agreed that your annual clinical compensation shall not be less than Two Hundred Seven Thousand Dollars (\$207,000) for the first twelve (12) months following the Commencement Date, provided that you maintain continued performance in accordance with this Agreement.

- Compensation Review:

In the event you remain employed under this Agreement, beginning in 2018, your base compensation will be reassessed annually and may be increased based upon the overall profitability/expenses associated with your practice.

- d) **Hospital Responsibilities:** All Attending Physicians at NYU Hospitals Center are required to perform the responsibilities set forth in "Hospital Responsibilities at NYU Hospitals Center," set forth at

http://webdoc.nyumc.org/nyumc_d6/files/fgp/fgpfiles/hr.htm. All Attending

Physicians at Bellevue Hospital/Gouverneur are required to perform the responsibilities set forth in "Hospital Responsibilities Bellevue Hospital/Gouverneur Affiliation Agreement," also set forth at

http://webdoc.nyumc.org/nyumc_d6/files/fgp/fgpfiles/hr.htm. You agree to discharge all duties and responsibilities hereunder faithfully and in accordance with such policies, laws, rules, and regulations.

- e) **Billing and Collections:** All billings and collections for your services to patients shall be carried out in your name and provider number or the name and provider number of the NYU Hospitals Center and/or NYU School of Medicine, but such billing and collection shall be performed by the NYU Hospitals Center and/or NYU School of Medicine, either directly or utilizing such contractors or subcontractors as the NYU Hospitals Center and/or NYU School of Medicine

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may determine in its sole discretion. You hereby assign to the NYU Hospitals Center and/or NYU School of Medicine any and all billings and collections for services provided hereunder, regardless of location at which such services are provided. You hereby agree to execute such additional documentation as may be necessary, in the reasonable opinion of the NYU Hospitals Center and/or NYU School of Medicine or its counsel to effectuate or evidence such assignment. You agree that you will not bill, nor permit any other person or entity to bill on your behalf, for services rendered by you to patients. If you discover that such a bill has been rendered with respect to your services you shall promptly notify the NYU Hospitals Center and/or NYU School of Medicine and take all necessary steps to cancel such billing or if the bill has been paid, arrange for appropriate reimbursement. Any disbursement from an IPA, insurer, MSO, or other like entity shall be deposited in the FGP Account.

- f) **Professional Liability Insurance:** You will be covered by “occurrence based” individual practitioner’s professional liability insurance purchased for you with respect to medical care rendered to patients by you as a member/participant of the FGP. Prior to the issuance of this coverage you agree to provide NYU Langone Medical Center information pertaining to your prior professional liability coverage, including documentation pertaining to New York State’s excess medical malpractice coverage (“Section 18 Coverage”) to the extent applicable. This insurance will provide you with coverage only for medical incidents occurring as a function of FGP activities and taking place at (a) facilities owned or operated by NYUHC, or (b) locations approved, in writing, by your Department Chair or the Vice Dean for Clinical Affairs prior to the relevant activity(ies). The insurance will provide limits of liability equivalent to or greater than the aggregate of (1) the primary limits required by New York State to be eligible for the Section 18 coverage, and (2) the excess limits provided by Section 18 coverage. You agree to provide all information necessary to complete the application(s) for such coverage. The School of Medicine reserves the right to change the scope, amount and nature of insurance provided to you upon notice as provided under New York State law.
- g) **Non-Referral:** Nothing in this agreement is intended to obligate any party to refer patients or business to or between NYU Langone Medical Center and you. Any referral between the parties shall be subject to each individual patient’s choice and his or her physician’s professional judgment.

VIII. **Other**

a) **Non-Solicitation/Records**

The provision of this letter limiting your ability to solicit staff, patients or referral sources (Section 3, Paragraph 2) shall be superseded by this paragraph. In the event your employment with NYU ends for any reason, you shall have the right to

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a copy of the records of all patients treated by you prior to your employment with NYU, subject to patient authorization requirements. In addition, it is agreed that you shall have the right to freely contact and solicit any staff, patients and referral sources maintained by you prior to your employment at NYU. With respect to medical records, all medical, financial and other records relating to patients treated by you during your employment with NYU are the property of NYU, including, but not limited to, patient records, charts, and case histories; provided, however you will be provided copies of such records, subject to patient authorization and applicable law.

b) Staff

As of and following the Commencement Date, it is NYU's intention to offer employment to your current staff, in job titles that align with the NYU salary structure, contingent upon the employee(s) successfully completing the pre-employment process in compliance with Human Resources policies and procedures.

c) Waiting Period Waiver

Pending final approval by the NYU Retirement Committee, one year of your full time service with your previous professional corporation will be used to meet the one year service requirement under the NYU School of Medicine 403(b) plan for purposes of the 403(b) plan's one-year waiting period and vesting schedule in accordance with the plan's provisions.

d) Lease/Sublease/Business Loan

In connection with this Agreement, upon the Commencement Date, NYU will accept an assignment and assumption (the "Assignment") of the current lease for your office. You represent to NYU that you have substantially complied with the terms set forth in current lease for the office, and that you are not aware of any default by the landlord. As of the Commencement Date, NYU shall assume or sublease all of the office leases, equipment leases, utility contracts, maintenance contracts, service contracts and similar contracts relating to the day to day operations of the practice, including outstanding loan payments on your business loan for the build out of the practice.

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RESEARCH¹ AND CONFLICTS DISCLOSURE AFFIRMATION

Please read this affirmation in its entirety.

I, SARI EDELMAN, affirm the following:
PRINT NAME

- I have disclosed to New York University School of Medicine (“NYUSOM”) the existence of any and all research projects and/or activities in which I am currently engaged or intend to engage prior to the date of my anticipated employment with NYUSOM.
- Upon my employment with NYUSOM, I will not engage in research except as otherwise permitted in my employment agreement.
- I have disclosed to NYUSOM the existence of any and all external interests and activities, including but not limited to ownership interests, consulting agreements, and royalty incomes, in which I am (or an immediate family member is) engaged that may be contrary to NYUSOM’s policies on conflicts of interest.

By signing below I affirm the foregoing.

Signature: Sari Edelman
Date: 9/22/14

¹Research is defined as a systematic investigation, including research development, testing and evaluation, designed to develop or contribute to generalizable knowledge. Research includes but is not limited to anonymous reporting studies, laboratory and animal studies, human subjects research, and clinical trials.